

THE TORONTO STOCK EXCHANGE

28/5/70

FILING STATEMENT NO. 1739
FILED, JUNE 12th, 1970.

LACANEX MINING COMPANY LIMITED

Full corporate name of Company
Incorporated Under the Laws of the Province of Ontario
By Letters Patent Dated April 22, 1969

Particulars of incorporation (e.g., Incorporated under Part IV of the Corporations Act, 1953
(Ontario) by Letters Patent dated May 1st, 1957).

FILING STATEMENT

(To be filed with respect to any material change in a company's affairs, including among other things, an underwriting and option agreement, an issue of shares for property and a proposed re-organization.)

1. Brief statement of the material change in the affairs of the company in respect of which this statement is filed.	(a) The Company has entered into a joint venture arrangement for natural resource exploration with Du Pont of Canada Limited ("Du Pont") and has granted to Du Pont the right to purchase 2,550,008 unissued shares of the Company. The grant was confirmed by the shareholders of the Company at the annual and general meeting held May 20, 1970. For details, see headings "Joint Venture" and "Right to Purchase Shares" on page 2 of the attached Information Circular. (b) The Company has acquired a Working Option Agreement from Claw Lake Molybdenum Mines Limited, Gerald Gagnon and Archie Giannunzio with respect to 20 unpatented mining claims located in Langmuir Township, Porcupine Mining Division, Ontario. For details, see items 10, 11 and 12.
2. Head office address and any other office address.	Suite 2306, 401 Bay Street, Toronto 103, Ontario. 675 West Hastings Street, Vancouver 2, British Columbia
3. Names, addresses and chief occupations for the past five years of present or proposed officers and directors.	W. H. GROSS, 481 Melchor Ocampo, Apt. 10, Mexico 5, D.F.; President and Managing Director; Geologist. D. A. LOWRIE, 39 Knollview Crescent, Willowdale, Ontario; Vice-President, Assistant General Manager and Director; Geologist. F. W. MAUND, 5 Highland Avenue, Toronto, Ontario; Secretary and Director; Management Consultant. E. G. THOMPSON, 111 Moore Avenue, Toronto, Ontario; Treasurer; Economic Geologist. E. H. BLECKWELL, Two Westmount Square, Montreal, Quebec; Director; Executive, President of Du Pont of Canada Limited. C. E. MICHENER, 15 Powell Avenue, Toronto, Ontario; Director; Geologist. G. T. SMITH, 7 Ormsby Crescent, Toronto, Ontario; Director; Barrister and Solicitor. P. J. SCHRIEDER, 20 Austin Terrace, Toronto, Ontario; Director; Executive, Secretary of N. L. Sandler & Co. Limited. G. A. ALLEN, 3238 Sprucehill Avenue, Burlington, Ontario; Assistant Treasurer; Accountant. W. G. SHAW, Guadalupe 122, San Angel Inn, Mexico City 20, Mexico; General Manager, Mexico; Executive. H. L. SOBEL, Fuente de Cao 17, Mexico City, Mexico; Chief Geologist; Geologist. By special resolution confirmed by the shareholders at the annual and general meeting held May 20, 1970, the board of directors was increased from five to seven directors. At the annual and general meeting of shareholders, the five incumbent directors were re-elected and Messrs. Lowrie and Thompson were also elected directors, in accordance with the confirmed increase in the number of directors. At the meeting of the directors held immediately thereafter, Mr. Thompson resigned as a director, and Mr. Bleckwell, the President of Du Pont of Canada Limited, was appointed a director of the Company.

4. Share capitalization showing authorized and issued and outstanding capital.	Authorized capital: 5,000,000 shares without par value Issued capital: 1,700,007 shares without par value																					
5. Particulars in respect of any bonds, debentures, notes, mortgages, charges, liens or hypothecations outstanding.	None																					
6. Details of any treasury shares or other securities now the subject of any underwriting, sale or option agreement or of any proposed underwriting, sale or option agreement.	See heading "Right to Purchase Shares" on page 2 of the attached Information Circular.																					
7. Names and addresses of persons having any interest, direct or indirect in underwritten or optioned shares or other securities or assignments, present or proposed, and, if any assignment is contemplated, particulars thereof.	See heading "Right to Purchase Shares" on page 2 of the attached Information Circular.																					
8. Any payments in cash or securities of the company made or to be made to a promoter or finder in connection with a proposed underwriting or property acquisition.	None																					
9. Brief statement of company's future development plans, including proposed expenditure of proceeds of sale of treasury shares, if any.	In Mexico, the Company plans to continue the exploration work referred to in item 10. In Canada, the Company will act as manager for the Joint Venture Company referred to under the heading "Joint Venture" on page 2 of the attached Information Circular, to conceive and develop exploration and mining ventures throughout Canada.																					
10. Brief statement of company's chief development work during past year.	In Mexico, the Company began exploration of a number of known deposits and commenced a study of regional geology in the vicinity of well known and well mineralized mining districts. In Canada, negotiations were commenced with a number of property owners to acquire options on mining claims in British Columbia, Yukon Territory, Ontario and Quebec. In February, 1970, 221 claims were staked to cover an area believed to be geologically favourable for the existence of porphyry copper mineralization near Keno Hill, Mayo Mining District, Yukon Territory, and the property was flown with an airborne magnetometer. The Company has entered into a joint venture arrangement for natural resource exploration with Du Pont of Canada Limited; for details, see heading "Joint Venture" on page 2 of the attached Information Circular. The Company has also acquired a Working Option Agreement from Claw Lake Molybdenum Mines Limited ("Claw Lake"), Gerald Gagnon and Archie Giannunzio with respect to 20 unpatented mining claims located in Langmuir Township, Porcupine Mining Division, Ontario. The claims were staked in April and June, 1968 by Messrs. Gagnon and Giannunzio, who granted to Claw Lake options to acquire the claims in 1969. The Working Option Agreement includes an assignment of the right of Claw Lake to the Company.																					
11. Names and addresses of vendors of any property or other assets intended to be purchased by the company showing the consideration to be paid.	With respect to the Working Option Agreement referred to in items 1 and 10, the optionors of the 20 unpatented mining claims are: Gerald Gagnon ("Gagnon"), South Porcupine, Ontario. Archie Giannunzio ("Giannunzio"), South Porcupine, Ontario. Claw Lake Molybdenum Mines Limited ("Claw Lake"), Suite 403, 67 Yonge Street, Toronto, Ontario. The Company has paid \$6,200 to Claw Lake, of which \$1,200 represented reimbursement of a payment to Giannunzio. To keep these options in good standing, future payments are required as follows: <table><tr><td>to Gagnon:</td><td>September 5, 1970 -</td><td>\$2,500</td></tr><tr><td></td><td>September 5, 1971 -</td><td>\$10,000</td></tr><tr><td></td><td>September 5, 1972 -</td><td>\$20,000</td></tr><tr><td></td><td>September 5, 1973 -</td><td>\$60,000</td></tr><tr><td>to Giannunzio:</td><td>October 20, 1970 -</td><td>\$3,000</td></tr><tr><td></td><td>October 20, 1971 -</td><td>\$6,000</td></tr><tr><td></td><td>October 20, 1972 -</td><td>\$30,000</td></tr></table> If a mine is brought into production on the claims, Claw Lake and Giannunzio are jointly to receive 12% of the after tax profits from such mine.	to Gagnon:	September 5, 1970 -	\$2,500		September 5, 1971 -	\$10,000		September 5, 1972 -	\$20,000		September 5, 1973 -	\$60,000	to Giannunzio:	October 20, 1970 -	\$3,000		October 20, 1971 -	\$6,000		October 20, 1972 -	\$30,000
to Gagnon:	September 5, 1970 -	\$2,500																				
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to Giannunzio:	October 20, 1970 -	\$3,000																				
	October 20, 1971 -	\$6,000																				
	October 20, 1972 -	\$30,000																				

FINANCIAL STATEMENTS

LACANEX MINING COMPANY LIMITED
(Incorporated under the laws of Ontario)
and subsidiary company, Lacanex, S.A.

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 1970

A S S E T S

CURRENT:

Cash	\$ 34,072	
Short term securities and accrued interest	1,207,500	
Accounts and loan receivable	18,617	
Prepaid expenses and sundry advances	<u>1,548</u>	\$1,261,737

FIXED: (at cost)

Office furniture and fixtures	13,399	
Automotive equipment	3,803	
Leasehold improvements	<u>1,685</u>	18,887

OTHER:

Incorporation expenses	3,125	
Advances for exploration	3,000	
Deferred share issue expense	29,516	
Deferred exploration and administrative expense	<u>103,510</u>	<u>139,151</u>
		<u>\$1,419,775</u>

L I A B I L I T I E S

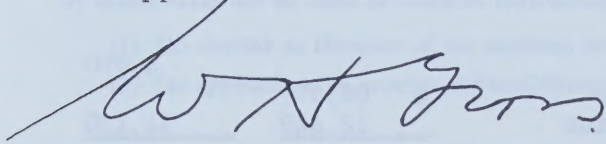
CURRENT:

Accounts payable and accrued charges	\$ 34,775
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SHAREHOLDERS' EQUITY:

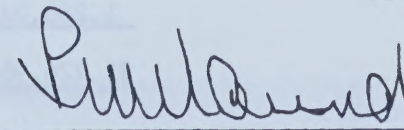
Capital Stock:	
Authorized - 5,000,000 shares without par value	
Issued - 1,700,007 shares	<u>1,385,000</u>
	<u>\$1,419,775</u>

Approved on behalf of the Board:



Director

Prepared Without Audit



Director

LACANEX MINING COMPANY LIMITED
and subsidiary company, Lacanex, S.A.

CONSOLIDATED STATEMENT OF DEFERRED EXPLORATION AND ADMINISTRATIVE
EXPENSES
FOR THE THREE MONTHS ENDED MARCH 31, 1970

Exploration Expenditures:		
Exploration and investigation	\$ 20,121	
Geological and engineering fees and expenses	26,958	
Travel and accommodation	7,939	
Survey	3,000	
Field office expenses	924	
Legal fees	4,139	
Insurance	382	
Miscellaneous	<u>329</u>	\$ 63,792
Administrative Expenses:		
Administrative fees	4,267	
Rent	1,017	
Insurance	169	
Telephone and telegraph	814	
Legal fees	10,486	
Office supplies, printing and stationery	4,786	
Travel, accommodation and public relations	3,476	
Audit fees	100	
Listing fees	100	
Employee fringe benefits	243	
Bank charges and foreign exchange	<u>127</u>	<u>25,585</u>
		89,377
Deduct - Interest earned		<u>22,798</u>
Expenditures (Net) for the three month period		66,579
Deferred expenditures, December 31, 1969		<u>36,931</u>
Deferred expenditures, March 31, 1970		<u>\$ 103,510</u>

CONSOLIDATED STATEMENT OF SOURCE AND APPLICATION OF FUNDS
FOR THE THREE MONTHS ENDED MARCH 31, 1970

Source		\$ Nil
Application:		
Purchase of fixed assets		4,950
Exploration and administrative expenses	\$ 66,579	
Less: Decrease in advance for exploration	<u>12,449</u>	<u>54,130</u>
Decrease in working capital position		59,080
Working capital position at December 31, 1969		<u>1,286,042</u>
Working capital position at March 31, 1970		<u>\$1,226,962</u>

Prepared Without Audit

LACANEX MINING COMPANY LIMITED

Information Circular

SOLICITATION OF PROXIES

This Information Circular is furnished in connection with the solicitation by the management of Lacanex Mining Company Limited (the "Company") of proxies to be used at the Annual and General Meeting of the Shareholders of the Company to be held at the 11th Floor, Board of Trade Building, 11 Adelaide Street West, Toronto, Ontario, on Wednesday, May 20, 1970, at 2:30 p.m. or at any adjournment thereof. It is expected that the solicitation of proxies will be primarily by mail, possibly supplemented by personal solicitation by regular personnel of the Company at nominal cost. The cost of such solicitation will be borne by the Company.

APPOINTMENT AND REVOCATION OF PROXIES

The persons named in the accompanying form of proxy are directors and officers of the Company. **A shareholder has the right to appoint a person to represent him at the meeting other than the persons named in such proxy.** A shareholder may do so either by inserting the name of such person, who need not be a shareholder, in the blank space provided in the form of proxy or by completing another proper form of proxy and, in either case, delivering the completed proxy to the Secretary-Treasurer of the Company. If the shareholder does not wish to appoint as alternate proxies the persons named in the accompanying form of proxy, he should delete their names.

A shareholder who has given a proxy may revoke it either (a) by signing a proxy bearing a later date and delivering it to the Secretary-Treasurer of the Company before the time of the meeting, or (b) as to any matter on which a vote shall not already have been cast pursuant to the authority conferred by such proxy, by signing written notice of revocation and delivering it to the Secretary-Treasurer of the Company or the Chairman of the meeting.

Where a proxy is signed by a corporation, its corporate seal must be affixed.

EXERCISE OF DISCRETION BY PROXIES

The accompanying form of proxy affords each shareholder an opportunity to specify that the shares registered in his name shall be voted in favour of or against resolutions respecting the following matters:

1. The confirmation of a resolution of the directors of the Company adopted on May 1, 1970, granting to Du Pont of Canada Limited the right to purchase up to 2,550,008 common shares without par value in the capital of the Company; and
2. The confirmation of a resolution of the directors of the Company adopted on March 31, 1970, increasing the number of directors of the Company from 5 to 7 and providing that 3 of the directors shall constitute a quorum for the transaction of business thereby constituting it a special resolution of the Company.

The shares represented by proxies solicited by management will, subject to section 75f of The Corporations Act (Ontario), be voted at the meeting and, if a choice is specified in the above-mentioned manner in the form of proxy with respect to the confirmation of such matters, the shares represented by such proxies will be voted in accordance with the specification so made.

In respect of proxies in which shareholders have failed to specify that the proxy nominees are required to vote for or against one or both of the matters identified in the form of proxy, the shares represented by the proxies solicited by management will be voted in favour of confirmation of such matters and in favour of:

- (1) The election as Directors of the nominees described below; and
- (2) The appointment as Auditors of MacGillivray & Co. with authority to the Directors to fix their remuneration.

The accompanying form of proxy confers discretionary authority upon the persons named therein with respect to amendment or variations to matters identified in the Notice of Meeting, and with respect to other matters which may properly come before the meeting and any adjournment thereof. At the time of printing this Information Circular the management of the Company knows of no such amendments, variations or other matters to come before the meeting other than the matters referred to in the Notice of Meeting.

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

On the date hereof, the Company has outstanding 1,700,007 shares without par value, each carrying the right to one vote per share. The following is the only person known to the Company to own on the date hereof beneficially, directly or indirectly, shares carrying more than 10% of the voting rights attached to all issued shares of the Company and the approximate holdings:

W. H. Gross..... 220,003

Shareholders of record at the time of the meeting will be entitled to attend and vote at the meeting. The recorded addresses of shareholders are indicated on the form of proxy furnished with the Notice of Meeting. Shareholders are urged to see that the transfer agent, The Canada Trust Company at 110 Yonge Street, Toronto, has their current addresses.

JOINT VENTURE

The Company has entered into an agreement (the "Joint Venture Agreement") made as of May 1, 1970 between the Company and Du Pont of Canada Limited ("Du Pont") whereby a new company (the "Joint Venture Company") is to be incorporated and owned equally by the two companies for the exploration and development of natural resources in Canada. Under the Joint Venture Agreement, the Company and Du Pont will contribute the initial funds required for the exploration and development of any particular project on a 30/70 basis up to \$750,000. However, the companies will have an equal interest in such project at that point. Any funds required with respect to a particular project in excess of \$750,000 will be contributed equally by the two companies, with either company having the right to finance such expenditure alone if the other company is not willing to make its contribution.

The joint venture is for an initial term expiring on December 31, 1974. However, Du Pont has the option of extending the joint venture for two additional terms of five years each. The two companies have committed themselves to a minimum joint budget of \$500,000 in each year during the currency of the Joint Venture Agreement. However, the board of directors of the Joint Venture Company may call upon the two companies to contribute funds in excess of that amount. Any additional funds so contributed to the joint venture will be contributed either on a 30/70 basis or a 50/50 basis, depending upon whether the aggregate amount of money expended on the particular project is more or less than \$750,000 as outlined above. Representation of the two companies on the board of directors of the Joint Venture Company will be equal, and all decisions will require the vote of a majority of the members of the board.

Upon the incorporation of the Joint Venture Company, the two companies will enter into a Shareholders Agreement relating to its operation. The Company has also agreed to act in Canada exclusively as manager of the Joint Venture Company under a Management Agreement to be of even date with the Shareholders Agreement.

RIGHT TO PURCHASE SHARES

This meeting has been called as an annual and general meeting of shareholders for the purpose, among others, of considering and, if approved, sanctioning and confirming a resolution of the directors of the Company adopted on May 1, 1970, authorizing an agreement made between the Company and Du Pont granting to Du Pont the right to purchase up to 2,550,008 common shares without par value in the capital of the Company. Reference should be made to the resolution, which is reproduced in this Information Circular.

This agreement was entered into with Du Pont, subject to shareholder confirmation, in order to provide the Company with a potential source of future funds for the financing of its operations, and in particular the financing of its involvement in the joint venture. This right is exercisable on December 15 in each of the years 1973 to 1977

as to 500,000 shares in each year. Du Pont has the right at its option to increase the number of shares purchasable on December 15, 1977 to 550,008 shares. The purchase price is to be the market price at the time of exercise but in no event below the exercise price of the outstanding share purchase warrants at the time of exercise. The Company at any time has the right to accelerate the right to purchase all or any of the shares. If not exercised on the respective dates or accelerated dates, the right will expire with respect to the number of shares purchasable on such date. The closing price of the Company's shares on The Toronto Stock Exchange during the month of April, 1970 varied from \$1.15 to \$0.95.

The Management of the Company believes that the share purchase agreement with Du Pont represents a firm plan for future financing with a large company and will complement the joint venture. Accordingly, the Management of the Company recommends that you vote in favour of the confirmation of the directors' resolution approving the agreement.

INCREASE IN NUMBER OF DIRECTORS

This meeting has also been called as an annual and general meeting of shareholders for the purpose of considering and, if approved, confirming the resolution of the directors of the Company adopted on March 31, 1970 increasing the number of directors of the Company from five to seven and providing that three of the directors shall constitute a quorum for the transaction of business.

The management of the Company is of the view that a larger board of directors would be helpful in the administration of the Company and accordingly recommend that the shareholders of the Company vote in favour of the confirmation of such resolution.

REQUIRED ACTION BY SHAREHOLDERS

The vote of the shareholders is required at the annual and general meeting of shareholders as follows:

- (1) the directors' resolution granting to Du Pont of Canada Limited the right to purchase up to 2,550,008 shares of the Company must be confirmed by a majority of the votes cast; and
- (2) the directors' resolution increasing the number of directors of the Company must be confirmed by at least two-thirds of the votes cast, thereby constituting it a special resolution of the Company.

ELECTION OF DIRECTORS

The persons named in the accompanying form of proxy intend, on a poll, to vote for the election as directors of the nominees whose names are set forth below. The management does not contemplate that any of the nominees will be unable to serve as a director but, if that should occur for any reason prior to the meeting, the persons named in the accompanying form of proxy reserve the right to vote for another nominee in their discretion. Each director elected will hold office until the next annual meeting of the shareholders or until his successor is duly elected or appointed.

The following table and notes state the names of all the persons proposed to be nominated for election as directors, all other positions and offices with the Company now held by them, their principal occupation and the number of shares of the Company beneficially owned, directly or indirectly, by each of them as of the date hereof.

Name	Principal Occupation	Shares	Became Director
W. H. Gross (President)	since May 21, 1969, a director and President of the Company and since October, 1968 a director and President of Tormex Mining Developers Limited, mining company, and since May 2, 1966 a director of Pure Silver Mines Limited, mining company, presently holding the offices of Vice-President and Managing Director, and in addition has been Professor of Economic Geology at the University of Toronto and has been engaged in independent consulting work.	220,003	May 21, 1969

<u>Name</u>	<u>Principal Occupation</u>	<u>Shares</u>	<u>Became Director</u>
C. E. Michener	since February, 1969, President, Metron Exploration Limited, mining company, and has been employed as a consulting geologist, prior to 1969 was Vice-President of Canadian Nickel Company, a wholly-owned subsidiary of The International Nickel Company of Canada, Limited, mining company.	20,001	May 21, 1969
F. W. Maund (Secretary-Treasurer)	since May 21, 1969, a director and Secretary-Treasurer of the Company and since January, 1966 has been employed as a Management Consultant, prior to this time employed for approximately 3 years as an executive with Stone and Webster Canada Limited, engineering and management company.	10,001	May 21, 1969
G. T. Smith	since November, 1964 President of Siscoe Mines Limited, since May, 1963 director of Northgate Exploration Limited, presently holding the office of Executive Vice-President, and since March, 1963 a director of Camflo Mines Limited, presently holding the office of President, all companies being mining companies.	1	May 21, 1969
P. J. Schrieder	since January, 1969 a director and Secretary of N. L. Sandler & Co. Limited, investment dealers and stock brokers, subsequent to being called to the Bar of Ontario in March, 1967, until January, 1969 counsel to the Ontario Securities Commission, and previously engaged in legal studies.	1	Aug. 14, 1969
D. A. Lowrie (Vice-President)	since December, 1969, Assistant General Manager of Pure Silver Mines and Tormex Mining Developers Limited, mining companies, and since December, 1969 Assistant General Manager and since March 31, 1970 a Vice-President of the Company; prior to this time Regional Manager of Exploration of Texas Gulf Sulphur Company, mining company.	10,000	—
E. G. Thompson	since April, 1970 an Economic Geologist with the Company; prior to this time Economic Geologist with Geophysical Engineering & Surveys Limited, mining exploration company.	20,000	—

Notes:

1. The information with respect to directors and shares beneficially owned by them, not being within the knowledge of the Company, has been furnished by the respective directors individually. See also "Interest of Management and Others in Material Transactions".
2. Unless otherwise stated above, each of the above named persons has held the principal occupation or employment indicated for at least five years.

REMUNERATION OF DIRECTORS AND SENIOR OFFICERS

The aggregate direct remuneration paid or payable by the Company and its subsidiary to the directors and senior officers of the Company as such for the period from incorporation on April 22, 1969 to December 31, 1969 was \$12,373. None of the directors or senior officers is entitled to any pension or retirement benefits.

APPOINTMENT OF AUDITORS

The persons named in the accompanying form of proxy intend to vote for the appointment of MacGillivray & Co., Chartered Accountants, Toronto, Ontario, as auditors of the Company, to hold office until the next Annual Meeting of Shareholders. MacGillivray & Co. have been auditors of the Company since April 23, 1969.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

By an agreement (the "Participation Agreement") dated June 2, 1969 between the Company and Reforma Holdings Limited ("Reforma"), the Company has agreed that, in the event that it causes any new companies to be incorporated to develop mineral deposits discovered by the Company, it will offer to Reforma the right to purchase shares of such new companies at the same price and on the same conditions as shares thereof are issued to any other person with a view to allowing Reforma to acquire and maintain a 10% interest in the issued capital, from time to time, of such companies. By an agreement (the "Waiver Agreement") dated as of May 1, 1970 between the Company and Reforma, Reforma waived its rights under the Participation Agreement to participate in the Joint Venture Company referred to under the heading "Joint Venture" or in any subsidiary thereof, but has retained its rights to participate in any financing by the Company which the Joint Venture Company has rejected.

Reforma (Suite 2306, 401 Bay Street, Toronto 103, Ontario) is a private Ontario company incorporated by letters patent dated May 22, 1969. The Company has been informed that Dr. W. H. Gross (formerly of Toronto, Ontario and now of Melcor Ocampo 481, Apartment 10, Mexico 5 D.F., Mexico), W. G. Shaw Rolland (Guadalupe 122, San Angel Inn, Mexico City 20, Mexico), H. L. Sobel (Fuente de Cao 17, Mexico City, Mexico), C. E. Michener (15 Powell Avenue, Toronto, Ontario), F. W. Maund (5 Highland Avenue, Toronto, Ontario), D. A. Lowrie (39 Knollview Crescent, Willowdale 432, Ontario) and E. G. Thompson (111 Moore Avenue, Toronto 7, Ontario) all directors and/or senior officers of the Company, are shareholders of Reforma and, therefore, have an interest in the Participation Agreement and the Waiver Agreement.

In addition, P. J. Schrieder (20 Austin Terrace, Toronto 178, Ontario), a director of the Company, has an interest in the underwriting agreement dated August 21, 1969, with N. L. Sandler & Co. Limited as underwriter whereby the Company sold to the underwriter 1,350,000 shares of the Company and warrants to purchase 675,000 shares for an aggregate consideration of \$1,350,000. Mr. Schrieder is a director and officer of N. L. Sandler & Co. Limited.

Toronto, Ontario
May 1, 1970.

LACANEX MINING COMPANY LIMITED

The following is a copy of the directors' resolution referred to under the heading "Right to Purchase Shares" in the foregoing Information Circular.

BE IT RESOLVED THAT:

1. Subject to confirmation by at least a majority of the votes cast at a general meeting of shareholders, the Company hereby grants to Du Pont of Canada Limited ("Du Pont") five irrevocable separate rights (the "Rights") to purchase a maximum of 2,550,008 common shares without par value in the capital of the Company (the "Shares") on the following dates:
 - 500,000 Shares on December 15, 1973
 - 500,000 Shares on December 15, 1974
 - 500,000 Shares on December 15, 1975
 - 500,000 Shares on December 15, 1976
 - 500,000 Shares on December 15, 1977subject to the right of Du Pont to have the last Right increased to any number of Shares up to and including 550,008;
2. The Company is hereby authorized to enter into a share purchase agreement (hereinafter called the "Share Purchase Agreement") substantially in the form of the agreement presented to the meeting and directed to be annexed as Schedule "A" to the minutes of the meeting and that any two of the President, a Vice-President, the Secretary-Treasurer, an Assistant-Treasurer or a Director be and they are hereby authorized, empowered and directed to execute the Share Purchase Agreement on behalf of the Company with such amendments, additions and deletions as they in their sole discretion may determine, and to affix thereto the corporate seal of the Company, if required, and to deliver the same on behalf of the Company and their signatures and the affixing of the Company's corporate seal thereto shall be conclusive proof that the Share Purchase Agreement is an agreement executed and delivered by and on behalf of the Company and shall be binding upon the Company.
3. The price for which the Shares are to be purchased under the Share Purchase Agreement (the "exercise price") shall be equal to the average closing price quoted by The Toronto Stock Exchange in respect of sales of board lots of shares of the Company during the thirty stock market trading days immediately preceding the date upon which notice of exercise of a Right is deemed to be received under the Share Purchase Agreement, subject to the provisions of the Share Purchase Agreement providing for the averaging of such price over the preceding ninety stock market days in the event of the acceleration of any Right by the Company.
4. The directors of the Company hereby acting in good faith and in the best interest of the Company fix the exercise price as so determined as full consideration for the allotment and issue of each of the Shares.
5. Up to but not exceeding 2,449,993 common shares without par value in the capital stock of the Company be and they are hereby allotted to Du Pont subject to the payment of the exercise price therefor as provided in the Share Purchase Agreement provided that in the event that any common shares without par value in the capital stock of the Company are not purchased upon the exercise of any of the warrants presently outstanding to purchase 850,000 such shares, up to but not exceeding 50,007 of the shares reserved for issue on the exercise of such warrants be and they are hereby allotted to Du Pont subject to payment therefor as aforesaid.
6. Upon the exercise of any of the Rights by Du Pont at any time or from time to time on the respective purchase dates and in accordance with the provisions of the said Share Purchase Agreement and upon payment having been made for the Shares in respect of which any such exercise has been effected at such price, such Shares shall be issued as fully paid and non-assessable shares.
7. After the respective purchase dates referred to above (or the accelerated purchase dates in the event of an acceleration of any Right or part thereof in accordance with the provisions of the Share Purchase Agreement), the provisions of the foregoing resolutions with respect to the grant of such Rights and the allotment of any of the said common shares not theretofore paid for shall forthwith terminate and cease to have any further force or effect whatsoever.
8. The Directors and Officers of the Company be and they are hereby authorized to do all acts and things and to execute whether under the corporate seal of the Company or otherwise and to deliver all documents or instruments in writing as they may consider necessary or desirable to carry out the terms of the foregoing resolutions.

12. Names and addresses of persons who have received or will receive a greater than 5% interest in the shares or other consideration to be received by the vendor. If the vendor is a limited company, the names and addresses of persons having a greater than 5% interest in the vendor company.	The following person is, to the knowledge of the Company, the only person having a greater than 5% beneficial interest in Claw Lake Molybdenum Mines Limited: Linair Investments Limited, Suite 400, 67 Richmond Street West, Toronto, Ontario. The Company has no information or knowledge respecting any one who may have a greater than 5% beneficial interest in Linair Investments Limited.
13. Number of shares held in escrow or in pool and a brief statement of the terms of escrow or the pooling agreement.	Under an Escrow Agreement dated May 31, 1969, and amended August 21, 1969, certificates for 350,000 shares and 175,000 warrants to purchase shares are held in escrow by The Canada Trust Company for a period of at least three years from June 30, 1969, subject as to release therefrom to the registered holders thereof and as to transfer, assignment, hypothecation and other alienation within the escrow, prior to June 30, 1971 to the written consent of N. L. Sandler & Co. Limited and at all times of the Ontario Securities Commission. If the holders of such shares decide to sell such shares with consent, the same will be offered for sale on a first right of refusal basis through the facilities of N. L. Sandler & Co. Limited.
14. Names and addresses of owners of more than a 5% interest in escrowed shares and their shareholdings (If shares are registered in the names of nominees or in street names, give names of beneficial owners, if possible.)	William H. Gross, 220,000 shares 481 Melchor Ocampo, Apt. 10, Mexico 5, D.F.
15. Names, addresses and shareholdings of five largest registered shareholders and if shareholdings are pooled or escrowed, so stating. If shares are registered in names of nominees or in street names, give names of beneficial owners, if possible, and if names are not those of beneficial owners, so state.	As of May 1, 1970: William Harvey Gross, 481 Melchor Ocampo, Apt. 10, Mexico 5, D.F. 220,003 shares * ** Roytor and Co., No. 1 Account, c/o The Royal Bank of Canada, 20 King Street West, Toronto, Ontario. 216,000 shares N. L. Sandler & Co. Limited, Suite 2205, 401 Bay Street, Toronto 103, Ontario. 211,250 shares *** Pure Silver Mines Limited, Suite 2306, 401 Bay Street, Toronto 103, Ontario. 100,000 shares * R & I-Ramtite(Canada)Limited, Prince Charles Drive, Welland, Ontario. 100,000 shares * Siscoe Mines Limited, Suite 1700, 11 King Street West, Toronto, Ontario. 100,000 shares * Xanadu Fund Limited, 10th Floor, 105 Adelaide Street West, Toronto 110, Ontario. 100,000 shares * *Shares beneficially owned. **220,000 shares are subject to the escrow referred to in item 13. ***Of the 211,250 shares registered in the name of N. L. Sandler & Co. Limited, 100,000 shares are beneficially owned by Teck Corporation Limited, Suite 4900, Toronto-Dominion Bank Tower, Toronto-Dominion Bank Centre, Toronto 111, Ontario.

16. Names, and addresses of persons whose shareholdings are large enough to materially affect control of the company.	The Company has no knowledge of any person or company whose shareholdings are large enough to materially effect control of the Company, other than those referred to in answer to item 15.
17. If assets include investments in the shares or other securities of other companies, give an itemized statement thereof showing cost or book value and present market value.	The Company has acquired all the shares of Lacanex, S.A., a Mexican company, at a cost of \$2,152.50, for which shares there is no market value at present.
18. Brief statement of any lawsuits pending or in process against company or its properties.	The Company has no knowledge of any law suits pending or in process against the Company or any of its properties, and there are no circumstances within the knowledge of the Company that might effect the Company's position or title adversely.
19. The dates of and parties to and the general nature of every material contract entered into by the company which is still in effect and is not disclosed in the foregoing.	Reference should be made to the Joint Venture Agreement and the Share Purchase Agreement referred to under the headings "Joint Venture" and "Right to Purchase Shares" on page 2, and the Participation Agreement and the Waiver Agreement referred to under the heading "Interest of Management and Others in Material Transactions" on page 5, respectively, of the attached Information Circular.
20. Statement of any other material facts and if none, so state. Also state whether any shares of the company are in the course of primary distribution to the public.	There are no other material facts relating to the Company and not disclosed in the foregoing and in the attached Information Circular. The shares of the Company are not in the course of primary distribution to the public.

CERTIFICATE OF THE COMPANY

DATED May 22, 1970

The foregoing, together with the financial information and other reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above and in respect of the company's affairs and there is no further material information applicable. (To be signed by two principal signing officers who are directors and the corporate seal to be affixed.)

LACANEX MINING COMPANY LIMITED

"W.H. GROSS"

"F.W. MAUD"

CORPORATE
SEAL

President

CERTIFICATE OF UNDERWRITER OR OPTIONEE Secretary

To the best of my knowledge, information and belief, the foregoing, together with the financial information and the reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above in respect of the company's affairs. Concerning matters which are not within my knowledge, I have relied upon the accuracy and adequacy of the information supplied to me by the company. (To be signed by underwriter or optionee registered with the Ontario Securities Commission or a corresponding body.)

